

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Northern Division)

SOVEREIGN BANK, FSB,

Plaintiff.

v.

Civil Action No. CCB-00-CV-2881

BANKERS FIRST MORTGAGE
CO., INC.

Defendants.

* * * * *

OFFER OF JUDGMENT

Defendants Kent E. Baklor and Bankers First Mortgage Co., Inc., in accordance with Fed. R. Civ. P. 68, hereby offer to allow judgments to be taken against them as follows:

1. As to Count I (action on note), Count III (action for fraud, deceit, and misrepresentation), Count IV (action for conspiracy), and Count V (action for conversion) of the Complaint, Bankers First Mortgage Co., Inc. offers to allow judgment to be taken against it, in favor of Plaintiff, Sovereign Bank, FSB, in the amount of \$1,529,032.62, inclusive of costs accrued to date. The judgment as to Counts I, III, IV, and V shall be joint and several with the judgment as to Counts II, III, IV, and V against Kent E. Baklor, provided for in ¶ 2, below. Moreover, Bankers First Mortgage Co., Inc. shall retain the ability and right to assert claims for contribution, indemnity, or other

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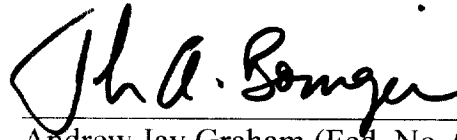
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Approved. The Clerk shall
enter judgment accordingly
pursuant to Fed R. Civ. P. 68.
C. M. Blake 11/12/02 nunc pro
tunc 11/30/02.

relief as against any other persons or entities, including persons or entities not already parties to this action, who or which may be liable to Sovereign Bank, FSB, or Bankers First Mortgage Co., Inc. for or on account of the losses asserted in the Complaint.

2. As to Count II (action on guaranty and surety agreement), Count III (action for fraud, deceit, and misrepresentation), Count IV (action for conspiracy) and Count V (action for conversion) of the Complaint, Kent E. Baklor offers to allow judgment to be taken against him, in favor of Plaintiff, Sovereign Bank, FSB, in the amount of \$1,529,032.62, inclusive of costs accrued to date. The judgment as to Counts II, III, IV, and V shall be joint and several with the judgment as to Counts I, III, IV, and V against Bankers First Mortgage Co., Inc., provided for in ¶ 1, above. Moreover, Kent E. Baklor shall retain the ability and right to assert claims for contribution, indemnity, or other relief as against any other persons or entities, including persons or entities not already parties to this action, who or which may be liable to Sovereign Bank, FSB, or Kent E. Baklor for or on account of the losses asserted in the Complaint.

3. If this offer of judgment is accepted, Kent E. Baklor's and Bankers First Mortgage Co., Inc.'s total, joint-and-several debt to Sovereign Bank, FSB, under the judgments provided for in ¶¶ 1 and 2, above, is \$1,529,032.62, and any recovery under any of those Counts shall reduce the indebtedness as to all of the other Counts.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J.A. Bourgeois". The signature is written in a cursive, flowing style with a large initial "J" and a distinct dot above the "i" in "Bourgeois".

Andrew Jay Graham (Fed. No. 00080)

John A. Bourgeois (Fed. No. 11834)

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CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of November 2001, copies of the foregoing document were sent by first-class mail, postage prepaid, to:

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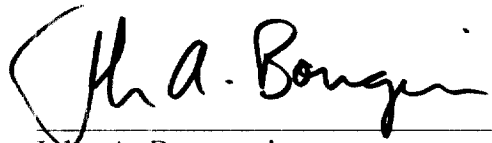
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